

**ACNB CORPORATION
ACNB BANK**

BOARD EXECUTIVE COMMITTEE CHARTER

Purpose

The purpose of the Executive Committee (the “Committee”) is to (1) act on behalf of the Boards of Directors (collectively or individually, the “Board”) to the extent permitted by law between meetings of the full Board and to report to the full Board at the next Board meeting, and (2) to develop and maintain the corporate governance policies and framework for ACNB Corporation and ACNB Bank (collectively, the “Company”).

Responsibilities and Duties

The Committee shall, subject to limitations imposed by applicable legal and regulatory requirements, including the Company’s articles of incorporation, as amended, and bylaws, as amended, exercise all powers and authority of the Board when the Board is not in session. All actions of the Committee, unless otherwise specified by a resolution adopted by the full Board, shall extend to the fullest under law.

To fulfill its responsibilities and duties with respect to corporate governance policies and framework, the Committee shall:

1. Develop and recommend to the Board a set of corporate governance guidelines for the Company, review these guiding principles at least once a year (or on such more frequent basis as the Committee shall determine), and subsequently recommend any changes to the Board;
2. Make recommendations to the Board relating to Management and Board succession as deemed appropriate, with an annual report submitted to the Board; and,
3. Oversee the Company’s corporate governance practices and processes, including identifying best practices and reviewing and recommending to the Board for approval any changes to the documents, policies and processes in the Company’s corporate governance framework, including its articles of incorporation and bylaws.

The Committee’s authority does not extend to the following decisions or matters for the Company:

1. The amendment of the Company’s articles of incorporation or bylaws;
2. The merger of the Company with or into another corporation, entity or person, the acquisition of the Company by another corporation, entity or person, or the sale of the Company or substantially all the assets of the Company to another corporation, entity or person;
3. The liquidation of the Company;
4. The issuance of securities of and by the Company; or,
5. Any matter proscribed by law.

Membership

The Executive Committee shall consist of not less than five (5) Directors, the majority of whom shall not be employees of the Company or any of its affiliates. The Committee members shall include the Chairman of the Board and Vice Chairman of the Board and may include the Chairs of Board standing committees and/or others as deemed appropriate by the Board. The Board shall annually appoint the Chair of the Committee.

Outside Advisors

The Executive Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its responsibilities and duties under this Charter. The Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its outside legal counsel and any other advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its outside legal counsel or other advisor to the Committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its responsibilities and duties under this Charter.

Meetings

In accordance with the articles of incorporation and bylaws of ACNB Corporation and ACNB Bank, meetings of the Executive Committee shall be at such times as may be fixed by the Board, as often as the Committee determines, or upon call of the Chairman of the Board or the President, provided twenty-four (24) hour prior notice. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The Committee shall have authority to invite non-voting guests to its meetings in furtherance of its responsibilities and duties.